

The Leader, like other weekly county newspapers throughout America, continues to thrive because of its emphasis on local news and local people. Kathleen's weekly column, "You Might Doubt It!" is a popular feature with subscribers and reflects the author's wit and personality.

Kathleen's contributions to Rains County extend over her lifetime and beyond her leadership at the newspaper. Born in Emory and educated in the public schools there, Kathleen was chairperson for the Red Cross in the 1930's. During World War II, she was Emory's chairperson for the war bond drive. She is a charter member of the Fidelis Sunday School Class of Emory Baptist Church and is the church's longest member, having joined in 1919. She is a charter member of the Point Ladies Civic Club, Emory's Women's Service Club and the Rains Garden Club. She was president of the Texas Women's Press District 12 in the 1960s.

Kathleen was married to Bo Gunter, who died in 1956, and then was married to George Becknell in 1960, who died in 1980. When Kathleen became editor of the Leader, George began street sales of the newspaper in surrounding towns, resulting in over 1,000 papers now being sold on the streets of Point, East Tawakoni, Emory, Lone Oak and Alba.

Mr. Speaker, people like Kathleen Becknell represent the heart and soul of small-town America. She has devoted a lifetime to her town and county. Born and raised there, she chose to reside there all her life, and her loyalty and devotion to the people of Rains County are evidenced each week in the pages of The Rains County Leader.

As we adjourn today, Mr. Speaker, let us pay tribute to Kathleen Hill Becknell of Emory, TX, for a job well done and a life well lived. May she enjoy many more years as a community leader, newspaper editor, and legendary citizen of Rains County.

CONSUMER AUTO-TAX RELIEF ACT OF 1995

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1995

Mr. BROWN of Ohio. Mr. Speaker, I rise today to introduce legislation that will offer support to one of America's most important industries. As American car-makers face unfair competition abroad, the Consumer Auto-tax Relief Act of 1995, will give a valuable shot in the arm to the domestic auto market.

Yesterday, in a dangerous game of brinkmanship, the administration and Japanese negotiators only narrowly averted an all out trade war. While I applaud the administration for taking a tough trade position with the Japanese and appreciate the promise of more accessible Japanese markets, this strategy only addresses part of the problem I want to solve. The C.A.R. Act of 1995 carefully crafts language that benefits an entire spectrum of interests. The C.A.R. Act offers us tax relief for middle-class families, support for our domestic auto industry, and a chance for a cleaner environment. By supporting this bill, we can stand up for American consumers, American business, and American workers.

The C.A.R. Act is simple. It restores the deductibility of interest on loans for any car

under \$35,000 with at least 60 percent domestic content, according to the standards established in the American Automobile Labeling Act of 1993.

Besides the obvious benefit to American car manufacturers, the C.A.R. Act benefits taxpayers by offering much needed tax relief. This Congress we have heard a lot about the benefits of tax relief, but rarely have we offered measures that benefit both business and middle-class interests. The C.A.R. Act offers us a chance to offer real relief, to real people and help the business community in a truly positive way.

In 1994, the average interest payments on a new car amounted to \$1,574 annually. Restoring the deductibility of these payments would make automobiles more affordable to people who depend on automobiles for transportation. Americans have a unique driving culture in that we use our cars for everything from going to work to going on vacation. Parents take their children to after school activities, students drive to school, families take road trips and employees get to work—all in their cars. The fact is, most families need a car to do even routine chores like shopping for groceries. By offering this deduction, the C.A.R. Act makes this necessary mode of transportation more accessible to everyone. This is truly a progressive tax break.

In addition to making American cars more accessible to everyone, the C.A.R. Act gets older cars off our roads and gives us cleaner air. As consumers take advantage of the benefits of the C.A.R. Act, older cars will be replaced with newer, cleaner burning, and more fuel efficient models that will go a long way in preserving the quality of our air. Again, the C.A.R. Act is a common sense move, not only for American jobs, industry and taxpayers, but also for our environment.

The C.A.R. Act does still more. By defining an American car by content level, the C.A.R. Act also encourages foreign owned manufacturers to purchase American made parts. Currently, most foreign cars built in the United States and Canada have approximately a 48-percent American content. In response to this initiative, foreign companies that build in the United States and Canada may choose to purchase more American made parts to allow their cars to qualify for the deduction. This represents just another benefit to America's auto industry.

The U.S. Trade Representative tells us that fully one-third of all autos sold in the U.S. domestic market are foreign. Until we see corrective action to improve our trade imbalance with Japan, we must support the C.A.R. Act and other measures like it to show American auto industry workers, manufacturers, and consumers that we appreciate their efforts and care about the work they do. In my hometown of Lorain, OH, 3,800 people at the Lorain Ford auto plant(s) depend on me to do everything I can to protect American jobs, markets, and industry. The C.A.R. Act gives us all the chance to do just that.

Finally, I would like to acknowledge Ford, Chrysler, General Motors and the American Automobile Manufacturers Association for responding to my calls for assistance with creating an incentive not only to buy American cars, but also to support middle-class families. Their assistance was invaluable, and I appreciate their input. They understand, as I do, that the C.A.R. Act represents an opportunity

for American industry, American workers and middle-class taxpayers. It means more jobs, greater production and a boost to our economy.

The auto industry is the cornerstone of the American industrial base, and it deserves our support. In 1994 alone, America's car companies contributed almost 11 percent to the growth in the U.S. gross domestic product and directly employed 2.3 million workers. Encourage consumers to buy American cars and show your support for our domestic industry by co-sponsoring C.A.R. Act of 1995. Give American consumers a break and show the world we mean business.

Thank you.

SECURITIZATION ENHANCEMENT ACT OF 1995

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1995

Mr. SHAW. Mr. Speaker, today I, along with Congressman RANGEL, am introducing the Securitization Enhancement Act of 1995. We are privileged to be joined by Representatives ZIMMER, MCDERMOTT, PAYNE, KENNELLY, CARDIN, ENGLISH, SAM JOHNSON, HANCOCK, CHRISTENSEN, NEAL, CRANE, THOMAS, COLLINS, KLECZKA, DUNN, HOUGHTON, MATSUI, NANCY JOHNSON, HERGER, NUSSLE and PORTMAN in introducing this important legislation that will assist small business in gaining access to capital and promote safety and soundness in the Nation's banking system. It will do so by simplifying the tax rules governing the securitization of asset-backed securities in a user-friendly fashion.

We also have an additional piece of good news. Whenever the Congress considers tax legislation, one of the first questions asked is how much will this cost. Fortunately, this legislation is revenue neutral and will not add to our budget deficit. Indeed, the bill actually raises \$87 million over 5 years, \$92 million over ten, without raising any taxes.

This bill builds upon the success of legislation enacted by Congress in 1986—the Real Estate Mortgage Investment Conduit [REMIC] provisions of the Tax Reform Act of 1986—which specified the tax rules for securitizing home mortgages.

The legislation creates a new tax vehicle similar to a REMIC known as a Financial Securitization Investment Trust [FASIT]. Unlike REMIC, which applies only to home mortgages, FASIT is available to all forms of debt, including small business, consumer, student and auto loans, among others. Our experience with REMIC suggests that facilitating securitization for such loans will greatly expand credit availability.

The Benefits of Securitization.—Securitization is the process whereby banks and other lenders package relatively illiquid loans and turn them into highly liquid marketable securities that relay for their creditworthiness solely on the underlying loans or on other guarantees provided by the private sector. Assistant Secretary of the Treasury Richard Carnell has described the securitization process as follows:

By "securitization," I mean the process of transforming financial assets, such as loans,